

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI**

JABBOK SCHLACKS and WILLIAM SCHLACKS,

Plaintiffs,

v.

NEIL CHHEDA, SCHLACKS 2020 TRANSFER LLC, and RC OPPORTUNITY LLC,

Defendants.

2:24-CV-04118-BCW

**DEFENDANTS' UNOPPOSED MOTION TO STAY
PENDING INTERLOCUTORY APPEAL**

Defendants Neil Chheda, Schlacks 2020 Transfer LLC (“2020 LLC”), and RC Opportunity LLC (“RC Opportunity”) (collectively, “Defendants”) respectfully request that this Court stay the present proceedings pending the resolution of Defendants’ interlocutory appeal of the Court’s denial of Defendants’ motion to compel arbitration, as mandated by *Coinbase, Inc. v. Bielski*, 599 U.S. 736 (2023). In support, Defendants state as follows:

1. On May 22, 2024, 2020 LLC and RC Opportunity filed a demand for arbitration with JAMS seeking to enforce the contracts at issue in this action.
2. On July 10, 2024, after failing to substantively respond to the JAMS arbitration demand, Jabbok Schlacks and William Schlacks (“Plaintiffs”) instead filed a complaint, initiating this action. (Doc. 1.)
3. On July 26, 2024, Plaintiffs filed the First Amended Complaint. (Doc. 8.)
4. On September 19, 2024 and in accordance with the Federal Arbitration Act, Defendants filed a motion to compel arbitration pursuant to 9 U.S.C. § 4 and to stay the federal

action pending the outcome of the JAMS arbitration. (Doc. 21.) The Court heard oral argument on the parties' competing motions regarding arbitrability on November 19, 2024.

5. On February 14, 2025, this Court denied Defendants' motion to compel arbitration (the "Motion to Compel Order"). (Doc. 69.) Under the Federal Arbitration Act, the Motion to Compel Order is immediately appealable. 9 U.S.C. § 16(a)(1)(B) (an appeal may be taken from an order "denying a petition under section 4 of this title to order arbitration to proceed").

6. On March 13, 2025, Defendants filed a notice of appeal with this Court pursuant to Federal Rule of Appellate Procedure 4(a), appealing the Motion to Compel Order.

7. Pursuant to *Coinbase Inc. v. Bielski*, these trial court proceedings must be stayed pending the outcome of Defendants' interlocutory appeal. In *Coinbase*, the Supreme Court held that "a district court [must] stay its proceedings while the interlocutory appeal on the question of arbitrability is ongoing." U.S. 736 at 744; *see also A.O.A. v. Rennert*, No. 4:11 CV 44 CDP, 2023 WL 8641601, at *1 (E.D. Mo. Sept. 5, 2023) (determining that, under *Coinbase*, the court "must stay these proceedings while that interlocutory appeal is pending given its central question on whether litigation of plaintiffs' claims can proceed in this forum"). The *Coinbase* Court further explained that the question of arbitrability cannot be severed from the underlying merits of the case, as the sole issue on appeal is the district court's authority to consider the case. *Coinbase Inc.*, U.S. 736 at 747. Therefore, the case *as a whole* must be stayed, as no part of the case is *not* involved in the appeal.

8. On March 13, 2025, Defendants conferred with Plaintiffs regarding this motion, and, having reviewed a draft of it, Plaintiffs do not oppose this motion.

WHEREFORE, pursuant to *Coinbase, Inc. v. Bielski*, Defendants respectfully request that this Court grant Defendants' unopposed motion and stay all proceedings in this action pending the

resolution of Defendants' interlocutory appeal of this Court's order denying Defendants' motion to compel arbitration.

Dated: March 13, 2025

Respectfully Submitted,

LEWIS RICE LLC

By: /s/ Scott A. Wissel

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CERTIFICATE OF SERVICE

I, Scott A. Wissel, hereby certify that a copy of the foregoing document, filed through the CM/ECF system, will be sent electronically to the registered participants as identified on the Notice of Electronic Filing on March 13, 2025.

/s/ Scott A. Wissel